

Phone-List Sellers: We Help Cops

By Frank Main

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Earlier this year, Congress launched an investigation into the sale of cell phone records after the FBI and Chicago Police warned that Web-based firms could sell their officers' calling lists to criminals.

Now some of the companies under investigation for fraud are telling Congress they have provided personal information to the FBI and other law enforcement agencies.

On Monday, Rep. Jan Schakowsky (D-Ill.) blasted the FBI after learning that Advance Research Inc. sent Congress a letter saying the firm did work for the bureau. Attorney General Lisa Madigan has sued Advance Research for allegedly using fraud to obtain Illinois consumers' cell phone records.

"Not only do Americans have to worry about whether Big Brother is listening to our calls without a warrant, but they must also be concerned that he is working with con artists to obtain our phone records," Schakowsky said.

Schakowsky is a proponent of the Prevention of Fraudulent Access to Phone Records Act, which would ban the sale of calling records. The bill is expected to go to the House floor for consideration today.

Exec: Cell phone info isn't illegal

In a March 13 letter responding to questions from the House Committee on Energy and Commerce -- of which Schakowsky is a member -- Advanced Research wrote, "On occasion, ARI has done work for municipalities, banks, mortgage and insurance companies, private companies, foreign governments, law enforcement, even the FBI."

In an interview, ARI president Bruce Martin of Oregon said he could not remember if his firm provided the FBI with phone records or if it was other information. The company has not sold any cell phone records since this year's crackdown by Congress, Martin said.

He said ARI bought the records from third parties that certified they did not break any laws to get them. "There is no law or regulation anywhere that says this information is illegal," Martin said.

FBI spokesman Richard Kolko said the bureau is allowed to use personal information from data brokers for its probes. He could not confirm if the FBI had obtained any information from Advanced Research.

"The FBI has established relationships with several companies, organizations and resellers that gather public source information," Kolko said. "We often use this information to assist with the many and varied investigations that we run.

"The reasons for purchasing through these companies are that they often have the necessary tools to expedite and collate the information in a rapid and useful manner," he said. "This information is available to non-law enforcement and other non-government entities as well."

Kolko stressed the FBI does not use such information to cut corners around legal requirements to obtain records through subpoenas or warrants.

Another company, PDJ Services, sent congressional investigators a letter on Feb. 17 responding to their questions, which included whether law enforcement agencies had bought telephone records from the Texas firm.

Firm says police get free aid

"On numerous occasions, a wide variety of law enforcement agencies, on a federal, state and local level, have asked for investigative assistance, which PDJ has provided free of charge as a courtesy to help law enforcement," the firm wrote without identifying the agencies.

Rob Douglas, an information security consultant who assisted the House investigators until recently, said the Justice Department should investigate claims by phone record sellers that they have assisted law enforcement agencies. "Over the last nine years, I've seen literally hundreds of Web sites that simultaneously offer stolen phone and bank records while also claiming to provide information to law enforcement agencies," said Douglas, who runs PrivacyToday .com.